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HUNGARIAN CHEMICAL INDUSTRY RESULTS AND PLANS

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The Hungarian chemical industry underwent significant development during 1950. Although the effects of investments are still not very noticeable, the production of basic chemicals rose sufficiently to prevent a great increase in imports due to the increased demands of the Hungarian economy.

With practically no added investments, 50 percent more and better fertilizer was produced than in 1949. Large-scale production of formerly imported mixed fertilizer was also begun in 1950. More types and twice as much fertilizer are produced in Hungary today than before the war, and all of it is used on Hungarian soil. Production of fertilizer and fertilizer products will be increased in 1951. More granulated superphosphate will be produced without the necessity of added investments, through the utilization of innovations suggested by workers. The use of granulated phosphates increases the efficiency of plant cultivation and will mean a reduction in sulfuric acid imports. Continued construction of fertilizer factories during the coming year will also contribute toward the socialization of agriculture.

Regulations for the use of different kinds of fertilizers should be established, and there is need for closer cooperation between agricultural experts and the fertilizer manufacturing industry.

Nearly the total amount of plant-protecting chemicals used is now produced domestically, and the latest Soviet developments in this field will be utilized to a greater extent.

Increasing demands of the chemical industry have resulted in a shortage of some chemicals, despite planned distribution, even though these chemicals were abundant a short time ago. The increase in production was met by tapping hidden reserves of raw materials. Production of the following items has been increased

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considerably: caustic soda, hydrochloric acid, chlorine, carbide, oxygen, light-sensitive chemicals, glue, Fuller's earth, sodium silicate, paints, synthetic products, rubber articles, medicines, and other chemical products. Some chemicals which were previously imported are now produced domestically, and in many instances production of new items was begun at the initiative of the manufacturing plant. The Pet Nitrogen Works has begun manufacturing sodium nitrite, the medicine industry has begun production of a new series of medicines, and a factory has been equipped for the experimental production of penicillin. An achievement of the chemical industry is the recovery of formerly imported pigments and gases from the pickling solution of rolling mills.

Some of the innovations applied in the chemical industry have resulted in the utilization of formerly discarded acid resins, the recovery of sulfur and other chemicals from waste gases, utilization of gypsum appearing as an end product, modernization of the manufacture of Fuller's earth, an increase in the production of carbides, and a new process for synthesizing papaverine. Acetic acid and acetone are now in production, and the experimental manufacture of other organic compounds has begun.

Production of chemicals and the development of the chemical industry during 1951 will be regulated more than in 1950. Because of lack of regulation in the chemical industry, many valuable basic materials accruing at generator sites remain unused, and at many large plants valuable tars are being burned as waste.

The petroleum industry was not prepared to meet the sudden increase in motor fuel demands resulting from the rapid growth in the number of agricultural machines and motor vehicles, but fuel production is keeping pace with the increasing production of crude oil. The sudden increase in demand found the motor fuel industry unable to modify and modernize its equipment in time to meet the demand. Motor-fuel production machinery will be modernized in 1951.

Hungary has begun manufacturing lubricating oils on a modern scale. The quality of lubricants refined by solution extraction is satisfactory, but much work remains to be done to equal the quality of Soviet lubricants. A large amount of money must also be invested to increase the quantity of lubricants produced from domestic crude oil.

Production and export of medicines rose sharply during 1950. Many new medicines are now being manufactured, including para-amino salicylic acid (PAS), thrombofort, and thiomicid. The manufacture of medicines has progressed haphazardly, and the pharmaceutical factories are slow in converting to the production of new medicines. Partly because of a conservative attitude, factories have continued to manufacture outdated medicines. The distribution of medicines is also in need of regulation. Steps will be taken in 1951 to begin a revision of the list of pharmaceuticals produced. New items to be produced in 1951 include: Superseptyl, Chloromycetin, new antituberculosis drugs, blood coagulants, and other preparations not produced before or manufactured in small quantities.

Cultivation, harvesting, and processing of medicinal herbs must also be improved. Many basic substances are lost through improper harvesting, insufficient processing capacity of factories, and the export of unrefined, rich, raw substances.

The manufacture and processing of synthetics last year were satisfactory. The small amount of phenoplasts and aminoplasts produced was of inferior quality. Therefore, appropriate compounds and presses must be developed.

Until new, large synthetics plants are built, the press capacity of the synthetic processing industry should be increased to facilitate large-scale replacement of scarce materials with synthetics when synthetics plants begin operation. Nothing has been done during the past year to increase the uses, manufacture, and processing of synthetics except to bring the problems of the synthetics industry to light.

The rubber industry is relying more and more on synthetic rubber, and the admixture proportions of synthetic rubber are constantly improving. Increasing motor-vehicle production also poses serious production problems for the rubber industry. Heavy rubber articles are being produced instead of luxury items.

The 1950 plan for the chemical industry was fulfilled 110 percent, because of the development of the Stakhanovite movement, plus the tapping of raw-material reserves. To critics, this indicates a laxity in planning, a failure to recognize the capabilities of the industry.

No great investments were made in the chemical industry during 1950, and relatively few projects will be completed in 1951. The chief investments of the past year include expansion of the Pet Nitrogen Works, where gas production has been stepped up greatly, the new roasting oven of the Sulfuric Acid Factory, the newly erected vacuum tower of the Hungarian Soviet Oil Plant (Maszolaj) at Szony, the new photographic materials warehouse /location not given/, and many smaller investments.

Investment projects to be completed in 1951 are a synthetic fertilizer factory, an oxygen factory, and a penicillin factory. Also, the Budapest Gasworks will be expanded, and the production of textile dyes and caustic soda will be increased. The construction of coke ovens for use in connection with experiments in the domestic production of metallurgical coke is nearing completion. The planning of investments in the chemical industry is poorly timed and haphazard. Poor planning practices include consideration of new investments as the only solution in the event a production bottleneck develops.

During 1951, reconstruction plans for every plant should be drawn up, with an eye to the development of the entire chemical industry. Shop plans, and especially investments plans, should be discussed and analyzed by workers' collectives before the plans are put into effect.

The productivity of the chemical industry has risen during the past year. Fewer man-hours are lost on the job, and although the movement to cut production costs is widespread through the industry, much remains to be accomplished in this field. The excellent methods developed at the Chinoin Plant, for example, still have not been adopted by leading plants of the industry. The most important branches of the chemical industry have urgent raw-material requirements, and the conservation of raw material would have considerable effect on imports. At the direction of the Communist Party, coal conservation is to be intensified, the processing of raw materials is to be carried out with more efficiency and discipline, the yields of all processes are to be increased, and spoiled charges are no longer to be discarded. The paint industry and the superphosphate-manufacturing industry are considered industries which demand, respectively, 60 percent and 80 percent raw materials. The chemical industry is to raise the level of technical training of a larger number of workers. The training of Stakhanovite cadre workers is considered an important and constant objective in medicine-producing factories and at the Pet Nitrogen Works. Many other plants, however, are neglecting the training of advanced tradesmen.

Immediate plans of the chemical industry include increasing the number of Stakhanovites and the formation of Stakhanovite shops. Two factors retarding the advance of the chemical industry are: a failure to adopt advanced USSR methods, and a laxity on the part of Stakhanovites to pass on their methods to lay workers. The chief aim of the chemical industry in 1951, and a factor vital to its development, is the dissemination of Stakhanovite methods.

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